

## **HERSETH SANDLIN HELPS ENSURE RURAL STATES' NEEDS ARE ADDRESSED UNDER NATIONAL FLOOD INSURANCE PROGRAM**

### **□ The Flood Insurance Reform Priorities Act passes the House of Representatives with three Herseth Sandlin Amendments**

**Washington, DC** (July 15, 2010) - Today, U.S. Rep. Stephanie Herseth Sandlin joined a bipartisan majority to help pass the Flood Insurance Reform Priorities Act. This legislation reauthorizes the National Flood Insurance Program (NFIP) for five years and makes common-sense improvements to the program such as increases in coverage limits. Presently, 37 of South Dakota's 66 counties are eligible for assistance under a Presidential disaster declaration for flooding. Three amendments authored by Rep. Herseth Sandlin were included in the final version of the bill.

"Since April, I have held nine community meetings across South Dakota to discuss ideas with my constituents about how I can best work with them to minimize the impact of flooding on our state's roads and infrastructure, as well as our lives and livelihoods," Rep. Herseth Sandlin said. "I strongly believe that the unique challenges and needs of rural and tribal communities must be considered when looking at ways the NFIP can be improved. Several of the Native American reservations in South Dakota have been especially burdened by the flooding."

Herseth Sandlin's amendments:

- Require the Government Accountability Office (GAO) and Federal Emergency Management Agency (FEMA) to consider rural and Native American communities when preparing studies on increasing National Flood Insurance Program (NFIP) participation by low-income families and the building codes used in floodplain management criteria.
- Require FEMA to consider the number recent flood-related presidential disaster declarations in a region when determining the recipients of a competitive grant program for local governments that conduct outreach to encourage homeowners to purchase flood insurance and educate all residents about the benefits of flood insurance.

- Require that the Flood Insurance Advocate office that this legislation creates be required to share best practices within all the offices of FEMA regarding community outreach.

Eastern South Dakota experienced extensive flooding this year, and these three amendments help respond to that disaster, and ensure that the immediate and future needs of rural states such as South Dakota, and the sovereign tribes of South Dakota, are addressed in the NFIP.

H.R. 5114 reauthorizes the National Flood Insurance Program (NFIP) through Sept. 30, 2015. In addition, it takes a number of steps to reform the NFIP program – fiscally and administratively. During 2005 Hurricane season, NFIP had to borrow \$20 billion from Treasury in order to pay claims. Included among its provisions:

Delays, for five years, the effective date for a requirement that homeowners living in newly designated flood-hazard areas would have to purchase flood insurance;

- Phases in a new risk-rate schedule for those areas over the next five years;
- Increases the coverage limits for the program;
- Allows annual increases of up to 20% for flood insurance premiums;
- Authorizes \$250 million over five years for outreach and education efforts;
- Creates an Office of Flood Insurance Advocate within the Federal Emergency Management Agency (FEMA);
- Phases out subsidies for vacation homes and commercial properties, as well as primary residential homes sold after the enactment of this bill.

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